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ECONOMY

Private Consumption Powers India's Economic Recovery, Says RBI

Date: 21 November 2024



India's economy is regaining momentum as private consumption drives domestic demand, bolstered by festive spending in Q3, according to RBI Deputy Governor Michael Patra. Despite global resilience amid rising protectionism in Q4:2024, domestic financial markets face pressures from a strong US dollar and persistent portfolio outflows. While medium-term prospects remain positive, October's headline CPI inflation exceeded the upper tolerance band due to surging food and core prices. The RBI highlights India's strong macroeconomic fundamentals as key to sustained recovery.

Source: The Economic Times

TRADE

India-UK FTA Talks to Target Tariffs and Emerging Sectors

Date: 20 November 2024

India-UK free trade agreement (FTA) talks, resuming in early 2025, will focus on tariff barriers, market access, and regulatory frameworks. India seeks greater access for skilled professionals in sectors like IT and healthcare, alongside zero customs duties on various goods. The UK aims to reduce import duties on items such as scotch whiskey, electric vehicles, and chocolates, while seeking expanded opportunities for its services in India, particularly in banking, legal, and telecommunications. Both nations aim to deepen trade and diplomatic ties, with India targeting \$30 billion in exports to the UK by 2030.



Source: Mint

PHARMACEUTICAL

India to Halve Pharma Import Reliance with New Plants

Date: 2 November 2024



India's healthcare infrastructure has seen significant growth post-pandemic, according to a Pharmarack report. The number of hospitals has increased from 43,500 in 2019 to 54,000 in 2024, with private hospitals growing 27%. Hospital beds have surged from 1.1 million to 1.3 million, expected to reach 1.7 million by 2030. The medical education sector also expanded, with the number of medical colleges rising from 387 in 2014 to 706 in 2024, while nursing colleges grew from 5,700 to 8,692. Online pharmacy market grew from \$512 million in 2018 to \$2 billion in 2024.

Source: The Financial Express

AUTOMOTIVE

India's Auto Components Industry Set to Exceed \$80 Billion by FY25

Date: 13 November 2024

India's automotive components industry is projected to surpass \$80.1 billion in revenue by FY25, growing at a 7-10% rate. Since FY20, the industry has experienced an 8% CAGR. The electric vehicle (EV) components sector has seen its contribution double to 6% of total production in FY24, fueled by a 76% CAGR in EV sales from FY20 to FY24. Exports have also grown at 10% CAGR, reaching \$21.3 billion, with the US as the largest market, highlighting India's expanding role in global automotive supply chains.



Source: The Hindu BusinessLine

STEEL

"India's Steel Industry Sets Green Production Benchmarks

Date: 21 November 2024



India's steel industry is setting new standards in green production, aligning with global decarbonization goals, according to Sajjan Jindal, President of the Indian Institute of Metals (IIM) and Chairman of JSW Group. Speaking at the 78th Annual Technical Meet (ATM), Jindal highlighted the importance of transformational technologies in materials and manufacturing. The three-day conclave, hosted by JSW Steel and the Ministry of Steel, gathered 1,700 delegates, including global experts. The event featured a technical exhibition showcasing innovations from 65 companies.

Source: The Hindu

TECHNOLOGY

Goyal: India is the Best Investment Hub for Tech and Innovation

Date: 22 November 2024

Union Commerce and Industry Minister Piyush Goyal highlighted India as the best destination for investing in technology and innovation during the UK India Business Council's UK-India Technology Futures Conference. He emphasized India's sustainable infrastructure and interconnected energy grid, which will support digital systems and data centers with clean energy by 2030. Goyal also pointed out India's new legal framework for data privacy, fostering data flow among trusted partners. He advocated for collaboration between India and the UK to harness innovations from UK universities.



Source: Business Standard

News from International Publications

UK PM to Reset Ties with Xi Jinping Amid Global Trade Tensions

Date: 18 November 2024



UK Prime Minister Sir Keir Starmer is set to meet Chinese President Xi Jinping at the G20 summit in Rio, marking the first such engagement since 2018. Starmer seeks "sensible and pragmatic" ties with China, a key UK trading partner, despite tensions over human rights and security. Downing Street emphasizes a balanced approach, addressing disagreements on Taiwan and Hong Kong while cooperating on global stability, climate, and growth. Starmer aims to bolster UK-China relations to drive investment and economic growth.

Source: Financial Times

Trump's Tariff Plan Spurs Business Rush

Date: 21 November 2024

Donald Trump's proposed 60% tariffs on Chinese goods are central to his economic plan, signaling a major trade policy shift. Anticipating this, entrepreneur Jason Junod ordered \$50,000 worth of inventory for his skin-care company, Bare Botanics, to secure supplies before potential tariff impacts. These tariffs could significantly affect consumer prices and business operations, highlighting the stakes for U.S. businesses reliant on Chinese imports. The policy underscores Trump's commitment to reshaping trade dynamics amid his return to the White House.



Source: The Wall Street Journal

News from International Publications

UK Inflation Surge Delays BoE Rate Cuts

Date: 21 November 2024



The Bank of England (BoE) is likely to hold interest rates until next year after UK inflation rose to 2.3% in October, driven by a 10% energy price cap increase. The rise aligns with expectations, signaling the BoE's cautious approach to meeting its 2% target. Analysts expect gradual rate cuts despite a "bumpy" inflation path. Higher prices for energy, household goods, and recreation contributed to the inflation surge, stressing the financial strain on British families and challenging economic stability.

Source: Financial Times

Trump's Return Clouds G20 Climate and Tax Consensus

Date: 18 November 2024

Donald Trump's return as U.S. president threatens global consensus on climate and tax agreements, as G20 leaders struggle to finalize a joint communiqué at the summit in Brazil. Argentina's President Javier Milei, a Trump ally, has resisted commitments on these issues, complicating negotiations. Efforts to address financial and geopolitical concerns, including Russia's war in Ukraine, are also under pressure. Diplomats are racing to maintain unity amid shifting political dynamics, highlighting the fragility of international cooperation on critical global challenges.



Source: Financial Times